

February 14, 2012

Mr. Tom Gainer
Oregon Department of Environmental Quality
2020 SW Fourth Avenue, Suite 400
Portland, OR 97201-4987

**Subject: Terminal 4 Slip 3 Upland Facility
Quarterly Progress Report – October through December 2011
ECSI No. 272**

Dear Tom:

The purpose of this letter is to provide the Oregon Department of Environmental Quality (DEQ) with a quarterly progress report for the Terminal 4 Slip 3 Upland Facility (Facility).

This letter satisfies the requirements of the Consent Judgment filed in Multnomah County Circuit Court in October 2004, which includes the following for the reporting period October through December 2011:

- Actions taken under the Consent Judgment;
- Actions scheduled to be taken in the next reporting period (January through March 2012);
- Summary of sampling, test results, and any other data generated; and
- Problems experienced.

Actions Taken under the Consent Judgment:

- Received DEQ comments on the *Storm Water Source Control Implementation Report* in a letter dated November 4, 2011.
- Responded to DEQ comments in a letter dated December 5, 2011.
- Continued LNAPL removal using the LNAPL removal schedule described in the *LNAPL Removal and Groundwater Monitoring Contingency Plan*.

Actions Scheduled for the Next Reporting Period (January through March 2012):

- Meet with DEQ to discuss path forward for storm water program;
- Continue LNAPL removal; and
- Conduct the first semi-annual 2012 groundwater monitoring event in June.

Summary of Sampling, Test Results, and any other Data Generated:

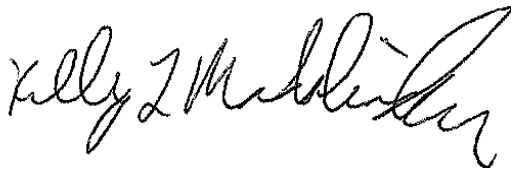
- A copy of the *Second Semi-Annual 2011 Groundwater Monitoring and LNAPL Removal Report* is attached and contains the analytical results from the groundwater monitoring event and the results of LNAPL removal for July through December 2011.

Problems Experienced:

- None.

Please call me at (503) 415-6676 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelly Madalinski". The signature is fluid and cursive, with the first name "Kelly" and last name "Madalinski" clearly distinguishable.

Kelly Madalinski
Environmental Program Manager

c: Kristine Koch, EPA
Rich Muza, EPA
Suzanne Barthelmess, Port (w/o enclosure)
David Breen, Port (w/o enclosure)
Jessica Hamilton, Port (w/o enclosure)
Michael Pickering, Ash Creek Associates (w/o enclosure)
Mark Lewis, Formation Environmental (w/o enclosure)
LWP File